

Message Text

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20

ACTION TRSE-00

INFO OCT-01 EA-11 NEA-10 ISO-00 IO-13 H-03 L-03 PRS-01

PA-03 USIA-15 CEA-02 SPC-03 AID-20 EB-11 NSC-10

RSC-01 CIEP-02 SS-15 STR-08 OMB-01 CIAE-00 COME-00

FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06 SIL-01

DRC-01 /172 W

----- 078935

R 130312Z SEP 73

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 7933

INFO AMEMBASSY ISLAMABAD

AMCONSUL KARACHI

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USADB

E.O. 11652 ADS, DECLAS 12/31/73

TAGS: EAID, EFIN, PK

SUBJECT: KARACHI POWER DEVELOPMENT PROJECT

FOR NAC AGENCIES

REF: TRSY 052049Z SEP 73

1. FOLLOWING INFORMATION RESPONDS TO QUESTIONS RAISED
REFTEL CONCERNING PROPOSED ADB SUPPLEMENTAL LOAN TO
MEET SHORTFALL FROM FIRST LOAN APPROVED OCT 1972 FOR
KARACHI ELECTRIC SUPPLY CORP (KESC):

A. CONTRACTS AWARDED IN JUNE 1973 FOR GENERATING
UNIT TOTALING \$16.71 MILLION WERE SUBSTANTIALLY IN
EXCESS OF \$11.56 MILLION ORIGINAL ALLOCATION. KESCO
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CURRENTLY IN PROCESS OF BIDDING FOR TRANSMISSION AND
DISTRIBUTION MATERIALS, WITH SOME COST OVERRUN ANTICI-

PATED. COST OVERRUN MAINLY DUE TO CURRENCY REALIGNMENTS
AND PRICE INCREASES.

B. PROPOSED BANK LOAN EXPECTED TO COVER FOREIGN

EXCHANGE COST OVERRUN FOR BOTH GENERATING UNIT AND TRANS-
MISSION AND DISTRIBUTION MATERIALS. EXACT AMOUNT TO BE
DETERMINED BY BANK MISSION CURRENTLY IN FIELD.

C. ACCORDING TO REVISED COST ESTIMATE PREPARED BY
KESC IN JUNE 1973, FOREIGN EXCHANGE COST OF PROJECT WOULD
NOW AMOUNT TO \$34.36 MILLION, OR SHORTFALL OF \$7.86 MILLION.

CANADIAN CREDIT OF 31.4 MILLION MAY BE AVAILABLE TO COVER
PART OF SHORTFALL IN TRANSMISSION AND DISTRIBUTION MATERIALS,
BUT BALANCE CURRENTLY ESTIMATED AT POSSIBLY \$6.5 MILLION
REMAINS, WHICH IS EXPECTED TO BE FINANCED BY PROPOSED BANK
SUPPLEMENTAL LOAN. PRECISE DETAILS TO BE AVAILABLE AFTER
RETURN OF MISSION.

SULLIVAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 13 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: collinp0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973MANILA10430
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730937/aaaabbfn.tel
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Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: TRSY 052049Z SEP 73
Review Action: RELEASED, APPROVED
Review Authority: collinp0
Review Comment: n/a
Review Content Flags:
Review Date: 04 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04-Dec-2001 by kelleyw0>; APPROVED <28 FEB 2002 by collinp0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: KARACHI POWER DEVELOPMENT PROJECT FOR NAC AGENCIES
TAGS: EAID, EFIN, PK
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005